

This section would further authorize revisions on limitations in asset sales contained in section 3303(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261), as amended by section 3302 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375), and section 3302(a) of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163).

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS

Section 3401—Authorization of Appropriations

This section would authorize \$18.8 million for fiscal year 2007 for the operation and maintenance of the Naval Petroleum and Oil Shale Reserves.

TITLE XXXV—MARITIME ADMINISTRATION

ITEM OF SPECIAL INTEREST

Fuel Assistance Payments to State and Regional Maritime Academies

Section 3502 of the National Defense Authorization Act for Fiscal Year 2006, (Public Law 109–163) required the Secretary of Transportation to make payments on an graduated basis to the six state maritime academies for fuel costs for the operation of the academies' training vessels. Section 3502 specifically required the Secretary to make a payment to each school this upcoming fiscal year in an amount of \$0.2 million. This is an increase of \$0.1 million from the amount provided for fiscal year 2006. While there may not be a specific appropriation for this expenditure in the upcoming fiscal year, the Secretary has the authority to make these payments. The committee expects the Secretary to make these payments to maritime academies, in the maximum amount provided by the National Defense Authorization Act for Fiscal Year 2006, (Public Law 109–163), as soon as the applicable appropriations act is signed into law. For an agency like the Maritime Administration, with a budget exceeding several hundred million dollars, a payment of this magnitude should not be resisted. With fuel costs at or near an all time high, payments by the Maritime Administration to these six schools, located in Massachusetts, Maine, New York, Texas, Michigan, and California, are critical to the continued ability of these schools to operate.

LEGISLATIVE PROVISIONS

Section 3501—Authorization of Appropriations for Fiscal Year 2007

This section would authorize a total of \$164.4 million for fiscal year 2007, an increase of \$19.5 million above the budget request. Of the funds authorized, \$25.7 million would be for the disposal of obsolete vessels. Within the funds included for operation and training programs, the committee recommends \$19.5 million to provide for the establishment and reimbursement of non-emergency repairs

under the provisions of section 3517 of the Maritime Security Act of 2003 (46 U.S.C. 53101 note), as amended by section 3503 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163).

Section 3502—Limitation on Transfer of Maritime Security Fleet Operating Agreements

This section would amend section 53105(e) of the Maritime Security Act of 2003 (46 U.S.C. 53101 note) to prohibit the transfer of an operating agreement to a person that is not a citizen of the United States as that term is used in section 2 of the Shipping Act, 1916 (46 App. U.S.C. 802), unless the Secretary of Defense determines that there is no citizen under that section, who is interested in obtaining the operating agreement for a vessel that is otherwise eligible to be included in the maritime security program.

Section 3503—Applicability of Certain Maritime Administration Vessels of Limitations on Overhaul, Repair, and Maintenance of Vessels in Foreign Shipyards

This section would require that certain U.S. Maritime Administration vessels activated in support of Department of Defense missions (including any vessel assigned by the Secretary of Transportation to the Ready Reserve Force that is owned or acquired by the United States) be subject to section 7310 of title 10, United States Code. Specifically, this section would designate those homeports that are considered part of the United States, define the term emergency voyage repair and strengthen the limitations on overhaul, repair and maintenance of vessels in foreign shipyards.

Section 3504—Vessel Transfer Authority

This section would authorize the Secretary of Transportation to transfer any vessels that are in the National Defense Reserve Fleet to another federal agency. This section would restore the authority of Department of Transportation to transfer vessels to the Department of Defense and the Department of Homeland Security. This authority was lost when the Coast Guard was transferred to the Department of Homeland Security.

Section 3505—United States Merchant Marine Academy Graduates: Alternate Service Requirements

This section would exempt graduates of the U.S. Merchant Marine Academy, who serve on active duty in the armed forces for the five years following graduation, from certain commitment agreement requirements which were entered into upon admission. This section would provide that graduates who serve on active duty for five years need not to fulfill the reserve requirement or the requirement to maintain a Coast Guard license for six years. This section would not exempt graduates from any reserve obligations imposed upon them by the armed forces branch in which they serve on active duty.

Section 3506—United States Merchant Marine Academy
Graduates: Service Obligation Performance Reporting Requirement

This section would allow the Department of Defense, the United States Coast Guard, and the National Oceanic and Atmospheric Administration to verify to the Maritime Administration that academy graduates have in fact remained on active duty or continued in a ready reserve status for the amount of their obligation, which is currently six years. This section would also allow these respective agencies to identify graduates that are not in full compliance with their obligations. This section would thus allow the Maritime Administration to pursue an action to recover tuition for non-compliance with the reserve duty section.

Section 3507—Temporary Authority to Transfer Obsolete
Combatant Vessels to Navy for Disposal

This section would require the Secretary of Transportation to transfer no fewer than six combatant vessels in the nonretention fleet of the Maritime Administration for disposal by scrapping to the Secretary of the Navy during fiscal year 2007. This section is intended to accelerate the disposal of vessels by using the Navy Disposal Program, which has substantial experience in disposing of obsolete vessels in an environmentally sound manner.

Section 3508—Temporary Requirement to Maintain Ready Reserve
Force

This section would require the Secretary of Defense, in consultation with the Secretary of Transportation, to submit to Congress by March 1, 2007 a report describing a five-year plan for maintaining the capability of the Ready Reserve Force of the National Defense Reserve Fleet necessary to support Department of Defense wartime mission and support to civil authorities. This section would also require the Secretary of Transportation to maintain 58 vessels in the Ready Reserve Force of the National Defense Reserve Fleet until 45 days after the date the report is required.

DEPARTMENTAL DATA

The Department of Defense requested legislation, in accordance with the program of the President, as illustrated by the correspondence set out below:

DEPARTMENT OF DEFENSE AUTHORIZATION REQUEST

DEPARTMENT OF DEFENSE,
OFFICE OF GENERAL COUNSEL,
Washington, DC, April 3, 2006.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: The Department of Defense requests that the Congress enact the enclosed National Defense Authorization Bill for Fiscal Year 2007.

Included in this year's bill are a number of proposals that arose from the Quadrennial Defense Review Report delivered to the Con-